

## **Required Supplementary Information**

This section consists of the following additional information required by Accounting Principles Generally Accepted in the United States of America:

- Analysis of Funding Progress for Law Enforcement Officers' Special Separation Allowance
- Schedule of Employer Required Contributions for Law Enforcement Officers' Special Separation Allowance

**CITY OF ASHEVILLE**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**REQUIRED SUPPLEMENTARY INFORMATION – ANALYSIS OF FUNDING PROGRESS**  
**JUNE 30, 2004**

<u>Calendar Year</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit</u>	<u>Percentage Funded</u>	<u>Unfunded AAL (UAAL)</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
1994	\$ -	\$ 822,209	- %	\$ 822,209	\$ 4,370,775	18.81 %
1995	-	861,264	-	861,264	4,527,910	19.02
1996	-	951,953	-	951,953	4,962,529	19.18
1997	-	1,101,752	-	1,101,752	5,142,723	21.42
1998	-	1,222,712	-	1,222,712	5,587,191	21.88
1999	-	1,340,442	-	1,340,442	5,769,142	23.23
2000	-	2,116,076	-	2,116,076	5,832,782	36.28
2001	-	2,240,213	-	2,240,213	6,009,758	37.28
2002	-	2,475,940	-	2,475,940	6,014,682	41.16
2003	-	2,739,109	-	2,739,109	6,482,367	42.25

**CITY OF ASHEVILLE**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER REQUIRED CONTRIBUTIONS**  
**JUNE 30,2004**

<u>FISCAL YEAR ENDED</u> <u>JUNE 30</u>	<u>ANNUAL REQUIRED</u> <u>CONTRIBUTION</u>
1997	\$126,782
1998	142,742
1999	157,698
2000	178,158
2001	193,365
2002	228,773
2003	243,061
2004	259,805
Estimated 2005	291,233

**Notes to the above schedule:**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the dates actuarial valuation follows.

Valuation Date	12/31/2003
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	28 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	5.9% to 9.8%
Includes inflation at	3.75%
Cost of living adjustments	None